

EXHIBIT 1

[Table of Contents](#)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File No. 1-8661

The Chubb Corporation

(Exact name of registrant as specified in its charter)

New Jersey
(State or other jurisdiction of incorporation or organization)

15 Mountain View Road

Warren, New Jersey
(Address of principal executive offices)

13-2595722
(I.R.S. Employer Identification No.)

07059
(Zip Code)

(908) 903-2000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

(Title of each class)

(Name of each exchange on which registered)

Common Stock, par value \$1 per share
Series B Participating Cumulative
Preferred Stock Purchase Rights

New York Stock Exchange
New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒

Non-accelerated filer ☐

(Do not check if a smaller reporting company)

Accelerated filer ☐

Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of common stock held by non-affiliates of the registrant was \$21,553,585,009 as of June 30, 2013, computed on the basis of the closing sale price of the common stock on that date.

245,597,652

Number of shares of common stock outstanding as of February 14, 2014

Documents Incorporated by Reference

Portions of the definitive Proxy Statement for the 2014 Annual Meeting of Shareholders are incorporated by reference in Part III of this Form 10-K.

[Table of Contents](#)**CONTENTS**

	<u>ITEM</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
PART I	1	Business	3
	1A	Risk Factors	14
	1B	Unresolved Staff Comments	24
	2	Properties	24
	3	Legal Proceedings	24
PART II	5	Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	26
	6	Selected Financial Data	28
	7	Management's Discussion and Analysis of Financial Condition and Results of Operations	29
	7A	Quantitative and Qualitative Disclosures About Market Risk	72
	8	Consolidated Financial Statements and Supplementary Data	76
	9	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	76
	9A	Controls and Procedures	76
	9B	Other Information	77
PART III	10	Directors, Executive Officers and Corporate Governance	79
	11	Executive Compensation	79
	12	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	79
	13	Certain Relationships and Related Transactions, and Director Independence	79
	14	Principal Accountant Fees and Services	79
PART IV	15	Exhibits, Financial Statements and Schedules	79
		Signatures	80
		Index to Financial Statements and Financial Statement Schedules	F-1
		Exhibits Index	E-1

[EX-12.1](#)[EX-21.1](#)[EX-23.1](#)[EX-31.1](#)[EX-31.2](#)[EX-32.1](#)[EX-32.2](#)[EX-101](#) [Instance Document](#)[EX-101](#) [Schema Document](#)[EX-101](#) [Calculation Linkbase Document](#)[EX-101](#) [Labels Linkbase Document](#)[EX-101](#) [Presentation Linkbase Document](#)[EX-101](#) [Definition Linkbase Document](#)

[Table of Contents](#)**PART I.****Item 1. Business****General**

The Chubb Corporation (Chubb) was incorporated as a business corporation under the laws of the State of New Jersey in June 1967. In this document, Chubb and its subsidiaries are referred to collectively as the Corporation. Chubb is a holding company for several, separately organized, property and casualty insurance companies referred to informally as the Chubb Group of Insurance Companies (the P&C Group). Since 1882, insurance companies or predecessor companies included in the P&C Group have provided property and casualty insurance to businesses and individuals around the world. According to A.M. Best, the U.S. companies of the P&C Group constitute the 12th largest U.S. property and casualty insurance group based on 2012 net written premiums.

At December 31, 2013, the Corporation had total assets of \$50.4 billion and shareholders' equity of \$16.1 billion. Revenues, income before income tax and assets for each operating segment for the three years ended December 31, 2013 are included in Note (13) of the Notes to Consolidated Financial Statements. The Corporation employed approximately 10,200 persons worldwide on December 31, 2013.

Chubb's principal executive offices are located at 15 Mountain View Road, Warren, New Jersey 07059, and the telephone number is (908) 903-2000.

The Corporation's Internet address is www.chubb.com. Chubb's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, if any, filed or furnished pursuant to Section 13(a) of the Securities Exchange Act of 1934 are available free of charge on this website as soon as reasonably practicable after they have been electronically filed with or furnished to the Securities and Exchange Commission. Chubb's Corporate Governance Guidelines, charters of the independent committees of its Board of Directors, Restated Certificate of Incorporation, By-Laws, Code of Business Conduct and Code of Ethics for CEO and Senior Financial Officers are also available on the Corporation's website or by writing to Chubb's Corporate Secretary.

Property and Casualty Insurance

The P&C Group consists of subsidiaries domiciled both in and outside the United States. Federal Insurance Company (Federal) is the largest insurance subsidiary in the P&C Group and is the parent company of most of Chubb's other insurance subsidiaries. Chubb & Son, a division of Federal (Chubb & Son), is the manager of several U.S. subsidiaries in the P&C Group. Chubb & Son also provides certain services to other insurance companies included in the P&C Group. Acting subject to the supervision and control of the respective boards of directors of the insurance companies included in the P&C Group, Chubb & Son provides day to day management and operating personnel. This arrangement offers the P&C Group operational efficiencies through economies of scale and flexibility.

The principal insurance companies included in the P&C Group that are based in the United States are:

Federal Insurance Company	Chubb Custom Insurance Company
Pacific Indemnity Company	Chubb National Insurance Company
Executive Risk Indemnity Inc.	Executive Risk Specialty Insurance Company
Great Northern Insurance Company	Chubb Lloyds Insurance Company of Texas
Vigilant Insurance Company	Chubb Insurance Company of New Jersey
Chubb Indemnity Insurance Company	

The principal insurance companies included in the P&C Group that are based outside the United States are:

Chubb Insurance Company of Europe SE	Chubb Insurance Company of Australia Ltd.
Chubb Insurance Company of Canada	Chubb Argentina de Seguros, S.A.
Chubb do Brasil Companhia de Seguros	

Table of Contents

In addition to the subsidiaries listed above, the P&C Group has insurance subsidiaries based in locations outside the United States, including Mexico, Colombia and Chile. Federal has several branches based in locations outside the United States, including Korea, Singapore and Hong Kong.

Property and casualty insurance policies are separately issued by individual companies included within the P&C Group. The P&C Group operates through three strategic business units: Chubb Personal Insurance, Chubb Commercial Insurance and Chubb Specialty Insurance. For the year ended December 31, 2013, Chubb Personal Insurance, Chubb Commercial Insurance and Chubb Specialty Insurance represented 35%, 43% and 22%, respectively, of Chubb's total net written premiums.

Chubb Personal Insurance offers personal insurance products for homes and valuable articles (such as art and jewelry), primarily for high net worth individuals. The homeowners business represents more than half of the total net written premiums of Chubb Personal Insurance. Chubb Personal Insurance also offers personal insurance products for fine automobiles and yachts as well as personal liability insurance (both primary and excess). In addition, it provides personal accident and supplemental health insurance to a wide range of customers including businesses.

The largest market for Chubb Personal Insurance products is the United States. The largest markets for our homeowners and automobile insurance products outside the United States are Canada, Brazil and Europe. The largest markets for our accident and health insurance products are the United States, Latin America (primarily Brazil) and Europe.

Chubb Commercial Insurance offers a broad range of commercial insurance products. Our underwriting strategy focuses on specific industry segments and niches. Much of our commercial customer base is comprised of mid-sized commercial entities. Our insurance offerings include multiple peril, primary liability, excess and umbrella liability, automobile, workers' compensation and property and marine. The largest market for Chubb Commercial Insurance products is the United States. The largest markets for our commercial products outside the United States are Europe, Canada and Australia.

Chubb Specialty Insurance offers a wide variety of specialized professional liability products for privately held and publicly traded companies, financial institutions, professional firms, healthcare and not-for-profit organizations. Chubb Specialty Insurance products primarily include directors and officers liability insurance, errors and omissions liability insurance, employment practices liability insurance, fiduciary liability insurance and commercial and financial fidelity insurance. The largest market for these products is the United States. Outside the United States, the largest markets for these products are Europe, Canada and Australia. Chubb Specialty Insurance also offers surety products, primarily in the United States and Latin America.

Premiums Written

A summary of the P&C Group's premiums written during the past three years is shown in the following table:

<u>Year</u>	<u>Direct Premiums Written</u>	<u>Assumed Reinsurance Premiums (a)</u>	<u>Ceded Reinsurance Premiums (a)</u>	<u>Net Premiums Written</u>
	(in millions)			
2013	\$ 12,804	\$ 503	\$ 1,083	\$ 12,224
2012	12,647	423	1,200	11,870
2011	12,452	398	1,092	11,758

(a) Intercompany items eliminated.

The net premiums written during the last three years for major classes of the P&C Group's business are included in the Property and Casualty Insurance — Underwriting Results section of Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A).